

ZIONS BANK

International Operations
550 South Hope Street, 3rd Floor
Los Angeles, California 90071
S.W.I.F.T: ZFNBUS55

M/039/002

L/C No. -

Date: October 29, 2004

BENEFICIARY:

UTAH DIVISION OF OIL, GAS AND MINING ("DIVISION")

1594 WEST NORTH TEMPLE, SUITE 1210

P.O. BOX 145801

SALT LAKE CITY, UTAH 84114-4801

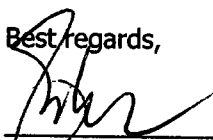
RE: Our Standby Letter of Credit No.
Issue date: March 3 1999
Current Amount: \$
Applicant: REDMOND MINERALS, INC.
Expiry date: March 1, 2005

Dear Sir/Madam:

This is to inform you that we have elected not to renew the above-referenced Standby Letter of Credit for any additional periods. This credit will expire finally on March 1, 2005.

If you have any questions concerning this transaction, please call us at (800) 551-0110 Ext.2131, 2130 or (213) 593-2131, (213) 593-2130.

Best regards,



Emma Montoro
Assistant Vice President

CC: Richard Thomsen (UT 0041 0242)

RECEIVED
NOV 01 2004
DIV. OF OIL, GAS & MINING